GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:1604
ANSWERED ON:28.11.2002
INVESTMENT BY NAGARJUN GROUP IN REFINERIES
TUFANI SAROJ

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the Nagarjun Group in the Private Sector had submitted any proposal to the Indian Oil Corporation Limited for investment in its refineries;

(b) if so, the details of the proposal;

(c) whether the Indian Oil Corporation Limited has rejected the proposal of the Nagarjun Group;

(d) if so, the reasons therefor;

(e) whether the Indian Oil Corporation Limited has started work on any project of increasing its oil refining capacity; and

(f) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS AND MINISTER OF STATE IN THE MINIS PARLIAMENTARY AFFAIRS (SHRI SANTOSH KUMAR GANGWAR)

(a) Yes, Sir.

(b) The Nagarjuna Group has sought participation of Indian Oil Corporation Limited (IOCL) in Nagarjuna Oil Corporation Limite (NOCL). The salient features of the proposal are as follows:-

(i) Investment of Rs.200 crore by IOCL as equity in the Cuddalore refinery project.

(ii) Contract for off-take and marketing by IOCL for NOCL production.

(iii) Sharing of tax concessions granted by the State Government to NOCL with IOC.

(c) No, Sir.

(d) Does not arise.

(e) & (f): IOCL is increasing the capacity of its Panipat refinery from 6.0 to 12.0 million metric tonnes per annum and the project is scheduled for mechanical completion in the first quarter of 2005.

In addition, a grass root refinery of 9 million metric tonnes per annum capacity at Paradip, Orissa is being persued by IOCL.